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APPLICATION NUMBER	FILING DATE	FIRST NAMED APPLICANT	ATTORNEY DOCKET NO.
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EXAMINER

LMC1/0217

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ART UNIT

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2761

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This is a communication from the examiner in charge of your application.  
COMMISSIONER OF PATENTS AND TRADEMARKS

### OFFICE ACTION SUMMARY

Responsive to communication(s) filed on 5/29/97.

This action is FINAL.

Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 D.C. 11; 453 O.G. 213.

Extended statutory period for response to this action is set to expire 3 month(s), or thirty days, never longer, from the mailing date of this communication. Failure to respond within the period for response will cause application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.13(a).

#### Position of Claims

Claim(s) 1-64 is/are pending in the application.

Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

Claim(s) \_\_\_\_\_ is/are allowed.

Claim(s) 1-64 is/are rejected.

Claim(s) \_\_\_\_\_ is/are objected to.

Claims \_\_\_\_\_ are subject to restriction or election requirement.

#### Specification Papers

See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.

The proposed drawing correction, filed on \_\_\_\_\_ is  approved  disapproved.

The specification is objected to by the Examiner.

The oath or declaration is objected to by the Examiner.

#### Priority under 35 U.S.C. § 119

Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

All  Some\*  None of the CERTIFIED copies of the priority documents have been

received.

Received in Application No. (Series Code/Serial Number) \_\_\_\_\_.

Received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

Certified copies not received: \_\_\_\_\_.

Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

#### Comment(s)

Notice of Reference Cited, PTO-892

Information Disclosure Statement(s), PTO-1449, Paper No(s). \_\_\_\_\_

Interview Summary, PTO-413

Notice of Draftsperson's Patent Drawing Review, PTO-948

Notice of Informal Patent Application, PTO-152

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**DETAILED ACTION**

***Claim Objections***

1. Claims 51, 54, 55, and 60-62 are objected to because of the following informalities:

- A) As to claim 51, the language "information of ... information of groups, and ... information groups" on lines 2-4 is unclear. Examiner suggests replacing the language with --one of information of specific customers, information of groups, and information of specific customers and groups--.
- B) As to claim 54, the language "managing to points issues to each customer" on line 2 is confusing. Examiner suggests replacing "issues" with --issued--.
- C) As to claim 55, the language "wherein computer comprises" in line 2 is incorrect and confusing. Examiner suggests inserting --the-- after "wherein."
- D) As to claims 60-62, the language "method of a computer and managing points" in lines 1-2 is incorrect and confusing. Examiner suggests deleting "and" and inserting --for-- therefor. Appropriate correction is required.

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***Claim Rejections - 35 USC § 112***

2. Claims 1-55, 58, 62, and 64 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

A) As to claim 1, the phrase "the point information" on lines 8-9 lacks antecedent basis. The phrase "the customer identification" on line 11 lacks antecedent basis. The language "customer identification means for identifying the customer according to the customer identification" on lines 10-11 is circular and confusing. It is unclear if the "customer identification means" is a structure for identifying the customer or if the customer is somehow previously identified.

B) The phrase "the customer terminal" in claim 2, line 14; claim 10, lines 3-4; claim 12, line 4; claim 30, line 5; claim 58, line 10; and, claim 62, line 10, lacks antecedent basis.

C) As to claim 3, the phrase "the store terminal" in line 15 lacks antecedent basis.

D) The phrase "the target points" in claim 14, line 3; claim 15, line 3; claim 16, line 3; and, claim 47, line 2, lacks antecedent basis.

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E) The phrase "the cumulative points" in claim 16, line 5 and claim 23, lines 3-4; the phrase "the cumulative points and periods" in claim 24, lines 3-4; and the phrase "the customer's cumulative points" in claim 28, line 4-5; claim 29, lines 5-6; claim 30, line 3; claim 31, line 3; and, claim 53, line 4, have unclear antecedent basis. It is unclear if this language is referring to the issued points which are accumulated by the point accumulation means. It is unclear to what "the ... periods" are in claim 24, lines 3-5, is referring.

F) As to claim 17, the phrase "the terminal" in line 6 lacks antecedent basis.

G) The phrase "the software service" in claim 28, line 2, and claim 29, line 2, and the phrase "the software services" in claim 30, line 4, lack antecedent basis.

H) Regarding claim 28, the phrase "for example" in line 6 renders the claim indefinite because it is unclear whether the limitations following the phrase are part of the claimed invention. See MPEP § 2173.05(d). The phrase "such as" in lines 6-7 renders the claim indefinite because it is unclear whether the limitations following the phrase are part of the claimed invention. See MPEP § 2173.05(d).

I) Regarding claims 22 and 29, the phrase "such as" in line 3 renders the claim indefinite because it is unclear whether the

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limitations following the phrase are part of the claimed invention. See MPEP § 2173.05(d).

J) Claims 41-44 and 64 are unclear and, thus, indefinite. Claim 41 requires communication means for notifying the customer of point information in off-hours. However, claims 42-44 and 64, which depend from claim 41, require that the communication means is in a cart. It is unclear how the cart is used in off-hours.

K) As to claim 54, the phrase "the customer identification" on line 13 lacks antecedent basis. The language "customer identification means for identifying the customer according to the customer identification" on lines 12-13 is circular and confusing. It is unclear if the "customer identification means" is a structure for identifying the customer or if the customer is somehow previously identified.

L) Claims 2-53, 55, and 64 are dependent claims which inherit the deficiencies of the claims on which they depend and are rejected for the same reasons. The claims are replete with antecedent basis problems and other errors. Applicant is requested to reread the claims and correct any deficiencies that the Examiner may have missed. Art is applied to the claims as best understood in light of the above-mentioned discrepancies.

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***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

4. Claims 1-9, 11, 13-16, 21-23, 27, 31, 36, 38-40, 45-49, 51, and 54-63 are rejected under 35 U.S.C. 103(a) as being unpatentable over Vision Value by Advanced Promotion Technologies (APT) (Thayer, "Database Marketing Demystified"; Fischman, "Dahl's Store is Testing Frequent Shopper Plan"; Johnson, "Loyalty Programs Flag: Citicorp, Catalina Pull Plug on Supermarket Tests, Advanced Promotion Tech: Continues to Test Vision Value Club Supermarket Frequent-shopper Club" (page and line numbers refer to the computer printouts); and, "Vision Value Goes Live Across America").

A) As to claim 1, with respect to Vision Value, Thayer states the following:

Customers signing up for Dahl's frequent shopper program are given a Vision Value Club card with an embedded microchip. The card can also serve as a check approval or debit card, or as a conventional Visa

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credit card. Use of the smart card allows data to be stored both on the card and in the retailer's computers.

Data is thus instantly accessible at any of the retailer's locations, so offers can be directed to the customer while she is still in the checkout lane.

Customers are awarded points in return for buying participating brands, as well as for the total amount of their purchases. Points are redeemable for merchandise from the Vision Value Club catalog--making this similar in some ways to electronic trading stamps.

The difference here is that all points, even those for total purchases, are paid for by manufacturers and not retailers. The points accumulate on the shopper's card each time she shops at Dahl's.

(page 4, line 35 to page 5, line 2). Further, with respect to Vision Value, Fischman states the following:

Points are recorded via a Vision Value Club smart card which uses a microchip. At checkout the card is inserted in a special card reader that totals the shopper's points total and then displays the figure on a color video screen.

(page 1, lines 9-12). Johnson states, "[c]olor monitors at check out lanes, connected to price scanners, play 5-to-7-second promotional videos, tally bonus points and offer coupons and recipes to shoppers who touch the screen" (page 1, lines 28-31). Further, with respect to the Vision Value system, "Vision Value Goes Live Across America" teaches that customers are issued a smart card and bonus points are awarded for each dollar spent (page 9, col. 2, lines 1-36). Therefore, the Vision Value system comprises point issue means, point accumulation means, point notification means, and customer identification means, as recited

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in claim 1. Furthermore, "Vision Value Goes Live Across America" also states the following:

Bonus points are normally awarded at the rate of one point for each dollar spent. However, suppliers can pay APT to have their particular product given extra prominence. This is done by having each dollar spent on that line equal to twenty bonus points. Some 450 different brands from some of America's biggest names now participate in the scheme.

(Page 9, col. 2, lines 25-36). Therefore, the Vision Value system comprises rate management means for changing a point calculation rate according to purchasing events.

The Vision Value references do not expressly teach calculating and accumulating the issued points for more than two events. However, it is well-known in the art that supermarket shopping comprises the purchase of many items, thus substantially more than two events. For this reason, it would have been obvious to a person of ordinary skill in the art to combine the teachings of the Vision Value references and to calculate and accumulate the issued points for more than two events with the motivation of effectuating the system as it is known and providing an incentive to customers to purchase products given the various promotions by the manufacturers.

B) As to claim 2, the Vision Value references do not expressly teach that the point information is displayed as soon as the customer terminal is turned on. It would have been obvious to a

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person of ordinary skill in the art to display the contents of the card upon turning the terminal on with the motivation of allowing the customer to turn the terminal on after the card is inserted and allowing the terminal to be in an off state when not in use, thus conserving electricity.

C) As to claims 3, 22, and 31, the color monitors at the check out stands are located in a store and are used by customers; therefore, they are interpreted to be both store terminals and customer terminals. Furthermore, the point information is inherently supplied to the color monitors through available communication circuits, such as conductors.

D) As to claims 4, 7, and 23, the rate management means in the Vision Value system changes the point calculation rate according to purchase conditions, as specifically taught by "Vision Value Goes Live Across America" (page 9, col. 2, lines 25-36), the purchase conditions being the actual purchase of the products (series of commodities) being awarded bonus points or extra bonus points.

E) As to claims 5 and 9, "Vision Value Goes Live Across America" teaches changing the point calculation rate according to conditions set for a predetermined day, a predetermined period, predetermined hours, or a time band for accessing the customer terminal (page 10, col. 2, lines 35-43).

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F) As to claims 6 and 39, the Vision Value references do not expressly teach changing the point calculation rate according to conditions set for purchases carried out at stores in a specific area or at a specific counter in a store. "Vision Value Goes Live Across America" teaches changing the point calculation rate to target "those people who never buy product of that type but are of the same age and income bracket as the majority of the product's existing buyers" (page 10, col. 2, lines 7-17). A person of ordinary skill in the art would recognize that a supplier would similarly want to target a geographical region. For example, a product might be new and has not caught on in a particular area. Therefore, it would have been obvious to a person of ordinary skill in the art to set the conditions for changing the point calculation rate according to whether the store is in a specific area with the motivation of targeting specific customers, as suggested by "Vision Value Goes Live Across America." It would also have been obvious to a person of ordinary skill in the art to issue points to each customer belonging to a demographic group, such as males between the ages of 20 and 30, with the motivation of targeting specific customers, as suggested by "Vision Value Goes Live Across America."

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G) As to claims 8 and 38, "Vision Value Goes Live Across America" teaches changing the point calculation rate according to conditions set for a predetermined number of purchase transactions (page 9, col. 3, lines 7-25).

H) As to claims 11, 21, 45, and 51, Johnson teaches that the point notification means notifies the specific customer of the point information by images (page 1, lines 28-31). Inherently, the processing means at the display stores information of specific customers for display.

I) As to claims 13-16 and 46-49, the Vision Value references teach that targets can be selected from a catalog or in a "buy two, get one free" type of promotion. The references do not expressly teach graphically displaying the cumulative points relative to the target points. Examiner takes Official Notice that progress bars, which indicate the progress of an activity by graphically displaying a bar in one color or gray scale and another bar within that bar in another color or gray scale to show what percentage of an activity is completed, are well-known and widely used. It would have been obvious to a person of ordinary skill in the art to modify the Vision Value system to allow the customer to select a target and to show the percentage of the target points accumulated by the customer using a progress bar. One would have been motivated to do so to provide incentive

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for the customer to purchase more products, thus progressing closer to the target.

J) As to claim 27, the Vision Value references teach that the service is products ordered through a catalog by redeeming points. Examiner takes Official Notice that catalog orders by communication circuits, such as telephone circuits, are old and well-known in the art. It would have been obvious to a person of ordinary skill in the art to allow the customers to redeem their points by making a catalog order by telephone in the Vision Value system with the motivation of providing a quick, efficient, and user-friendly manner in which to order products, as is conventional in the art.

K) As to claim 36, the Vision Value references do not state that the point issue means issues points to the customer without disclosing points allocated for commodities. It would have been obvious to a person of ordinary skill in the art to modify the Vision Value system to issue points without disclosing points allocated for commodities. One would have been motivated to do so when a customer does not purchase any commodities for which points are allocated.

L) As to claim 40, since the Vision Value system awards points for the total amount of the bill (Fischman, page 1, lines 4-5),

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inherently the customer is notified of the point information as primary data of a transaction.

M) Claims 54-63 substantially repeat subject matter addressed above and are rejected for the same reasons.

5. Claims 10 and 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Vision Value as applied to claim 11 above, and further in view of Utsunomiya (US Patent No. 5,034,596).

As to claims 10 and 12, the Vision Value references do not expressly teach displaying the point information on a display of a personal computer. Utsunomiya teaches a terminal comprising a personal computer with display and an IC (smart) card reading/writing unit (col. 2, lines 40-55). It would have been obvious to a person of ordinary skill in the art to include the terminal of Utsunomiya in the Vision Value system to allow the customer to display the point information at home at the customer's convenience. Utsunomiya also teaches inputting transaction data from the terminal to the IC card (col. 1, line 62, to col. 2, line 8). It would have been further obvious to a person of ordinary skill in the art to increase the point calculation rate for operations carried out on the customer terminal in off-hours with the motivation of rewarding the

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customer for performing transactions and not depleting the resources of the store.

6. Claims 19, 20, 41-44 and 64 are rejected under 35 U.S.C. 103(a) as being unpatentable over Vision Value as applied to claim 11 above, and further in view of Malec et al. (US Patent No. 5,287,266).

A) As to claim 19, the Vision Value references fail to teach that the point notification means is installed in a store shopping cart. The Vision Value references do teach the use of a smart card. Malec et al. teaches an example of a customer terminal being a shopping cart display (514) which presents audio and video to the customer for advertising and entertainment, which is similar to the terminal in the Vision Value system, and includes a smart card reader and reads the customer's demographic information and participation in a loyal-shoppers program and awards loyal shopper points if the customer purchases certain manufacturers products (col. 24, lines 28-44). It would have been obvious to a person of ordinary skill in the art to include the shopping cart customer terminal of Malec in the Vision Value system with the motivation of optimizing the effect of product advertisements by presenting the information just before the

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consumer is ready to make a purchase (Malec: col. 1, lines 46-51).

B) As to claim 20, Malec teaches an audio output circuit (1309) which provides signals to a speaker (1308) to produce output of various pitches and crude speech (col. 22, lines 61-63). It would have been obvious to a person of ordinary skill in the art to modify the combination of the Vision Value system and Malec et al. to output the point information in voices with the motivation of allowing the customer to operate the shopping cart without looking at the display, thus preventing collision with other carts, people, etc.

C) As to claims 41-44 and 64, Malec teaches communication means (503; col. 9, line 59, to col. 10, line 6).

***Allowable Subject Matter***

7. Claims 17, 18, 24-26, 28-30, 32-35, 37, 50, 52, and 53 would be allowable if rewritten to overcome the rejection(s) under 35 U.S.C. 112, 2<sup>nd</sup> paragraph, set forth in this Office action and to include all of the limitations of the base claim and any intervening claims.

8. The following is a statement of reasons for the indication of allowable subject matter:

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The prior art, when considered as a whole, fails to teach or fairly suggest the point notification means having service contents storage means as specifically recited, in combination, in claims 17, 18, 50, 52, and 53, and as defined by the specification.

The prior art, when considered as a whole, fails to teach or fairly suggest the condition monitor means adding interest to the customer's points as specifically recited, in combination, in claim 24, and as defined by the specification.

The prior art, when considered as a whole, fails to teach or fairly suggest the condition monitor means decreasing the customer's points if the customer carries out no transaction during a predetermined period, as specifically recited, in combination, in claim 25, and as defined by the specification.

The prior art, when considered as a whole, fails to teach or fairly suggest means for converting the customer's points managed by a group of stores into points managed by another group of stores according to a predetermined rate as specifically recited, in combination, in claim 26, and as defined by the specification.

The prior art, when considered as a whole, fails to teach or fairly suggest software service being provided to the customer and decreasing the customer's points according to a period of time of providing software service as specifically recited, in combination, in claims 28-30, and as defined by the specification.

9. Since allowable subject matter has been indicated, applicant is encouraged to submit formal drawings in response to this Office action. The early submission of formal drawings will permit the Office to review the drawings for acceptability and to

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resolve any informalities remaining therein before the application is passed to issue. This will avoid possible delays in the issue process.

***Conclusion***

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

**Any response to this action should be mailed to:**

Commissioner of Patents and Trademarks  
Washington, D.C. 20231

**or faxed to:**

(703) 308-9051, (for formal communications intended for entry)

**or:**

(703) 308-5357, (for informal or draft communications, please label "PROPOSED" or "DRAFT")

Hand-delivered responses should be brought to Crystal Park II, 2021 Crystal Drive, Arlington, VA., Sixth Floor (Receptionist).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Stephen Tkacs, whose telephone number is (703) 305-9774 and whose e-mail address is Stephen.Tkacs@uspto.gov. The examiner can normally be reached on Monday through Friday from 8:30 AM to 4:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Todd Voeltz, can be reached at (703) 305-9711.

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Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3900.

SRT  
13Feb99



**Stephen R. Tkacs**  
**Primary Examiner**